

A SPECIAL MEETING OF THE NEW KENT COUNTY BOARD OF SUPERVISORS WAS HELD ON THE 12<sup>TH</sup> DAY OF NOVEMBER IN THE YEAR TWO THOUSAND TEN OF OUR LORD IN THE BOARDROOM OF THE COUNTY ADMINISTRATION BUILDING IN NEW KENT, VIRGINIA, AT 9:00 A.M.

---

IN RE: CALL TO ORDER

Chairman Sparks called the meeting to order.

---

IN RE: ROLL CALL

Thomas W. Evelyn	Present
David M. Sparks	Present
James H. Burrell	Present
Stran L. Trout	Present
W. R. Davis, Jr.	Present

All members were present.

---

IN RE: CLOSED SESSION

Mr. Davis moved to go into Closed Session for consultation with legal counsel pursuant to Section 2.2-3711A.7 of the Code of Virginia regarding specific legal matters that require advice. The members were polled:

Thomas W. Evelyn	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
David M. Sparks	Aye

The motion carried. The Board went into closed session.

Mr. Davis moved to return to open session. The members were polled:

James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
David M. Sparks	Aye

The motion carried.

Mr. Burrell made the following certification:

Whereas, the New Kent County Board of Supervisors has convened in a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

Whereas, Section 2.2-3712 of the Code of Virginia requires a certification by the Board that such closed session was conducted in conformity with Virginia law;

Now there be it resolved that the Board hereby certifies that to the best of each member's knowledge (i) only public business matters lawfully exempted from open session requirements by Virginia law were discussed in closed session to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Board.

The Chairman inquired whether there was any member who believed that there was a departure from the motion. Hearing none, the members were polled on the certification:

Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
James H. Burrell	Aye
David M. Sparks	Aye

The motion carried.

---

IN RE: HISTORIC SCHOOL RENOVATION PROPOSALS

The Board proceeded to interview those companies that had submitted proposals to renovate the Historic School under the unsolicited Public Private Education Act (PPEA) process. Chairman Sparks distributed copies of proposed interview questions and asked that all presenters cover the material in their presentation:

- 1. Please introduce the members of your team and review their qualifications to complete this project.*
- 2. What expertise does your team have in remodeling historic structures for modern use?*
- 3. If your team is awarded the project, what is the potential timeline for completion of the project described in your proposal?*
- 4. Do you anticipate utilizing historic tax credits as part of the financing for this project?*
- 5. Since this project will involve multiple boards, how would you anticipate keeping each board knowledgeable about your progress and to seek input from those boards as the project progresses?*
- 6. Would you be willing to partner with other teams if the Board decided to make multiple awards?*
- 7. Do you anticipate utilizing or applying for any grant funds, whether state or federal, to assist with the financing of this project?*

---

IN RE: KENBRIDGE CONSTRUCTION CO.

Richard Roberts, Project Representative with Kenbridge Construction, who would be the General Contractor on the project, introduced his team, which included Architect Gil Entzminger of Enteros Design; Legal Consultant Michael Woods, Senior Manager with Troutman Sanders; and Structural Engineer Jeff Davis, Project Manager with Dunbar, Milby, Williams, Pittman & Vaughan.

Mr. Roberts reviewed that his company was founded in 1948, and preferred to focus on projects in Central Virginia and Southside, but had worked on projects all over the State, as well as in North Carolina, Maryland and West Virginia. He reported that his company had \$150 million in bonding capacity, with a volume of around \$70 million per year. He indicated that their strengths included their reputation, experience and diversity.

He reviewed a list of their renovation and library projects, but admitted that he had never worked on an unsolicited PPEA renovation project.

Mr. Entzminger advised that he had over 20 years experience in adaptive reuse and had been involved in library projects in Petersburg, Prince George and Charles City County. He reviewed that it was important to understand the building by documenting existing conditions, analyzing the structure (he noted that he felt the joists in the 1930s building were adequate but that some beams would need to be reinforced), reviewing the Building Code, evaluating energy efficiency, maximizing the building's potential while minimizing alterations, and constructing with the least impact in order to preserve the "historic fabric". He reviewed that the initial phase would consist of several meetings with stakeholders to understand their needs, and thereafter he would anticipate holding monthly meetings.

He reviewed their proposed plan for the Library in the 1930s building, which would have a meeting space with a separate access for meetings held outside of Library hours. He went over the plan for the School Board and other offices in the South building, as well as a proposed site plan for the courtyard area. He noted that their scope of the project included library renovation, school board office space, space for the Brown Bag program, future tenant space, HVAC and electrical upgrades, fire sprinkler systems, window replacement, exterior painting, removal of front canopy, and courtyard improvements. He added that they now understood that the canopy removal would not be a part of the project as it was going to be undertaken separately by the County.

Mr. Roberts noted that financing options would include county funding, low interest loans, bond issue, or private financing. He indicated that the project was a candidate for State Historic Tax Credits, with a potential return of \$1 million. He explained that it would require creation of a separate limited liability corporation (LLC) and would prohibit use of any Commonwealth of Virginia general obligation bonds, grants, or debt.

He projected a twelve-month turn around, with two months for design and ten months for construction.

He enumerated the reasons why they should be selected for the project: experience, collaboration, proven management of project schedule and budget, comprehensive all-inclusive project scope, cost-effective design solution, and their knowledge of numerous funding strategies.

Building Official Clarence Jackson inquired which building code they intended to use. The presenters indicated that they would look at both the new International Building Code and the existing code and use whichever was best for the project.

Mr. Davis asked questions about the LLC that would need to be created if Historic Tax Credits were used. It was explained that the LLC would be made up of investors; however, the County would retain primary ownership interest and the building would have to be owned by the LLC for a minimum of five years.

It was also reported that Kenbridge would use local subcontractors and routinely made it a high priority to purchase locally during a project, and they had no objections to partnering with other teams on the project.

---

IN RE: HARLAN CONSTRUCTION CO.

John Harlan II of Harlan Construction introduced his team, which included Ronald Worley of Worley Associates Architects, Ed Frisa of Nolan Frisa Associates, Karl Mayes of Mayes

Engineering, and Charles Wall of Williams Mullen. Mr. Harlan reminded that his company had worked with New Kent on three recent projects – the Vehicle Maintenance Facility, the Sheriff's Annex, and second floor renovation of the Courthouse—all under PPEA.

He reported that Harlan had been in business for over 49 years and focused on projects in Central Virginia. He indicated that he had worked with New Kent subcontractors in the past and would hope to use them on this project. He reviewed other projects performed by his company, which included work on renovations to medical facilities, churches, and municipal projects. He admitted that his company had not worked on any library renovation projects but had done similar projects with courthouse renovations.

Mr. Worley advised that he had been practicing for 32 years and had worked with Harlan in the past. He indicated that his architecture firm had experience with library renovation, adaptive reuse of school buildings, historic renovation and restoration, had sensitivity to historical context, and had received awards for design. He spoke about other considerations, which included environmental sensitivity, LEED experience, leasing experience, being both cooperative and flexible in order to meet needs and budget, and a personal enthusiasm for the project as he was a 1968 graduate of New Kent County Schools. He indicated that he saw a lot of potential for adaptive reuse of the buildings.

Structural Engineer Ed Frisa spoke about some of the adaptive reuse projects that his company had been involved with, and their ability to deal with the complexity of multi-era building components.

Attorney Chuck Wall advised that he was the PPEA practice chair at Williams Mullen and had worked on fifteen completed PPEA projects and had others pending, ranging from \$1 million to \$80 million. He explained that what had worked best with PPEAs in the past was having a true partnership, and he spoke about the LLC or lease that would be required if Historic Tax Credits were used to finance construction. He added that he had experience with pursuing state and federal grants if this was something in which the Board was interested.

Mr. Worley indicated that the information gathered was not sufficient to put together a plan for the buildings, and they would meet with stakeholders to determine their needs; however, they did envision phasing of the Library portion of the project and preserving the unique items in the building.

He noted that their concept would use the Science Building for School Board Offices, and would include a new HVAC, upgrading of electrical systems, fire suppression, and upgrading the restrooms so that they would be ADA compliant. He indicated that they also envisioned a new entrance from the parking lot and new windows to give the area an "identifiable front". He indicated that there would be a higher price tag to renovate the front of the building for School Board offices. He advised that all renovations of the South Building would include window replacement and bringing the building up to Code. He referred to some ideas for leasing prospects for other areas of the building, as well as a separate price to upgrade the cafeteria space that would include a separate entrance. He advised that their ideas for the courtyard space would include a new drainage system, damp-proofing of all basement areas, low level site lighting, and seating areas.

He spoke about the reality of limited funding and the needs of the groups, and how there could be a shopping list of items from which to choose.

He indicated that they could provide access to an investment banking group that had the ability to pursue the various financing aspects the County might be interested in. He

advised that Harlan would very much like to work with the County again and had the flexibility to deal with change and the ability to adjust to circumstances.

Harlan predicted a time line of twelve to fourteen months, adding that the design process on the front end might take little longer because of the necessity to involve a lot of people. They indicated that they were willing to offer a Historic Tax Credits option and a programming process to work with the various groups, and would be willing to partner with other teams. It was noted that their concept was broken down into phases and could be done over a period of years.

There was discussion regarding lighting. Mr. Worley explained that current fixtures could be historic in design but energy efficient.

---

IN RE: CHARLES E. MOSS COMPANY

Charles Moss, President of Charles E. Moss Company, indicated that he had worked in construction over 45 years and, being a local company that had worked with the County on other projects, best understood what was needed. He reviewed some of the projects undertaken by his company, which included renovation of several churches and historical buildings, and recent renovation of the County's administration building, all of which was performed timely and under budget. He identified members of his team, which included Architect Consultant Brian Caro of Caro, Monroe & Liang; Mountcastle Construction Co.; Old Mill Mechanical; Dixon Heating & Plumbing; Richmond Alarm Co.; L & M Carpet One; Mid Atlantic Source 1; and Fire-X Corporation, many of whom worked with him on renovation of the County Administration Building.

Brian Caro indicated that he had worked with General Services Director Jim Tacosa on the new Health & Human Services building and to re-master the plan for the Courthouse area, and was well acquainted with the historic school buildings. He advised that he had experience working with Mr. Moss and would be very comfortable working with him on this project. He spoke about renovation projects on which he had worked, including some using Historic Tax Credits, and he stated that he knew how to work with governments, how to renovate, and how to work with historic buildings.

He reviewed that their plan included phases for a "pay as you go" process. Phase 1 included renovation of the top floor of the historic building, with the front holding a 250-seat auditorium that would have restricted access to the library area in the back of the building as needed for after-hours programs. He clarified that there would be one entrance for both uses, explaining that a rear entrance for the library would require an elevator. He noted that Phase I included an electrical service upgrade to 1,000 amps, modern lighting, updated finishes where appropriate, and two restroom areas. Phase 2 would provide renovation to the basement of the historic building that would provide four large rooms and storage relocation. Both phases would include a new HVAC and sprinkler systems.

He indicated that Phase 3 included renovating the front portion of the main floor of the South Building to provide 7,200 square feet of office space for the School Board Office, providing three private offices, nine cubicles, a meeting room, two classrooms, restrooms, and handicapped access. He confirmed that would also include electrical upgrades and fire suppression systems.

Phase 4 was described as renovation of the upper level of the South Building for up to ten "future county offices", and would include new HVAC, lighting, and data lines. Phase 5

would entail renovation of the lower level of the building that included the cafeteria space which could be used as a retail lunch area open to the public, or other uses.

He reviewed Phase 6 which could entail renovation of the Science Building for light medical dentist, or attorney offices, and would include appropriate upgrades for lights, data lines, and HVAC systems.

Renovations proposed for the courtyard included waterproofing exterior walls, installing drainage pipes, and new landscaping.

Several of Mr. Moss' team members spoke about their experience and projects they had worked on with New Kent.

Richmond Alarm explained how security was "custom designed" and that they would select a radio frequency intrusion system for these buildings.

Mr. Moss advised that his timetable for the project would be between twelve and fourteen months; he would be willing to offer a Historic Tax Credits option; he would work with the various stakeholders on the project; and would be willing to work with other teams. He added that he had done some work on the Historic School in the past and was familiar with the structures. He advised that he would make an attempt to preserve the existing wood floors in the historic building.

---

IN RE: MARENGO MANAGEMENT CORPORATION

Taylor Moore of Marengo Management Corp. reviewed his company's experience, noting that he had been a builder/manufacturer since 1969. He explained that his proposal was general in nature since the exact uses of the building had not yet been determined. He introduced his team which included Dennis Mountcastle (project manager); John Hopke (architect); Keith and Associates (engineering consultant); Southworth Mechanical (mechanical contractor); Bank of America (financing); Simmons Electrical (electrical contractor); Global Land Reserve (environmental consulting company); and Ed Parsons (legal consultant), an attorney experienced with real estate and contract negotiations.

He indicated that his company did not do a lot of construction work, choosing only projects "they really liked". He talked about his wood manufacturing company, indicating that they exported materials both internationally and nationally and were the main supplier of wood materials for Colonial Williamsburg. He advised that he also had a real estate investment firm with three tenants, and operated/maintained a 30-acre industrial complex.

He noted that Mr. Hopke had worked with the Heritage Library Board in the past and had a good knowledge of the building.

Mr. Hopke reviewed his experience with historic renovations in the area as well as his familiarity with the Historic School. He reviewed that he had been hired by the Heritage Public Library to perform a feasibility study and worked extensively with the Library to assess its needs. He advised that he felt that the 1930s structure was "pretty close to being able to handle the Library load" and they would just need to "beef up some girders". He advised that he had met with the Department of Historic Resources and received verbal approval for what had been proposed.

He spoke about the possibility of using Historic Tax Credits but emphasized that he was not stating that "it was an easy thing to accomplish".

He indicated that part of his job would be to determine the requirements of the various stakeholders in the project and he would recommend creating a core committee with representatives from each of the groups.

He advised that his experience with the PPEA process suggested that the most assurance the County could have was that it trusted the people it would be working with, adding that there were few people he trusted more than he trusted Taylor Moore.

Mr. Moore talked about the environmental energy audit that he would suggest before doing any pricing.

The representative from Global Land Reserve explained that their audit would include determining where energy consumption was coming from and identify opportunities to lower operating costs. He advised that he felt that they could make the project energy efficient and a "green flagship" for the County. It was explained that the audit would take only a couple of days but he advised that he did not think it would be cost effective to go for LEED certification but that the project could be built towards LEED standards.

Mr. Moore agreed that the project should be done in phases. He reviewed that one of the first phases needed to be the courtyard improvements to handle the water seepage problems. He suggested that the 1930s school building be renovated in three phases, to include restoration of the auditorium area, adding that the original maple floors could be saved. He advised that the phases could be done individually or at the same time, but should be done sequentially. He reviewed that his proposal included providing 16,000 square feet on the first floor of the building for the Library, with only minimum work in the basement. He advised that it was his information that all windows in the 1930s building had been replaced and bidders were advised not to include new windows for that building in their proposals.

He reviewed his proposal regarding renovating the Science Building for the School Board offices, which would be more cost effective than renovating the front section of the South Building. He added that he felt it would be better to renovate the front of the South Building into suites that would be more "salable" in terms of leasing. Mr. Sparks interjected that he did not want the County competing with the private sector in this "tough market" and was not interested in leasing options.

Mr. Moore spoke about plans for the cafeteria area, noting that all of those windows would need to be replaced.

He also addressed financing, advising that they, through Bank of America, would be willing to finance all or part of the project at 3% or less for up to five years. He indicated that he felt that the cost of the project would likely decrease as the details were "fleshed out", especially if phasing were used. He predicted a time line of three to four months for design and between twelve and fifteen months for construction if phased. He indicated that using Historic Tax Credits would be a challenge and he did not think that the five-year lease required by federal regulations would be palatable to County citizens. He referred to the "current disarray" within the Department of Historic Resources, stating that the process would be very expensive and time-consuming (four to six months to set up) and he did not think that the credits would be worth the additional time and work.

He indicated that he would be amenable to having the project divided up among contractors.

There was discussion regarding the fire protection system. Mr. Moore advised that the sprinkler lines would follow the grid pattern in the ceilings and would not be unsightly.

There was also discussion regarding the handling of the storm water from the roof. Mr. Moore indicated that his proposal would include excavating to the footings in order to properly seal the buildings, as well as increasing the size of the drop inlets and storm water piping, but admitted that he had not considered the issue of the storm water leaving the property.

---

IN RE: REFLECTION AND WRAP UP

Board members thanked the presenters for their efforts and hard work, stating that there had been many good ideas and the session had been very worthwhile.

Mr. Lawton reviewed that the next step would be for the Board to decide if it wanted to proceed with the PPEA process, and if so, with which company.

Following discussion, it was agreed that the Board would talk about the project and process again at its November 17 work session and try to move it forward.

Mr. Lawton distributed information regarding the PPEA process to the Board members.

---

IN RE: ADJOURNMENT

Mr. Evelyn moved to adjourn the meeting. The members were polled:

W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
David M. Sparks	Aye

The motion carried.

The meeting was adjourned at 12:20 p.m.